

Mine Permit Number SD010066
Operator Earth Partners
TO _____

Mine Name Munchkin 1-2-3
Date Sent / Received 8/11/2010
FROM _____

☐ CONFIDENTIAL ☒ BOND CLOSURE ☐ LARGE MAPS ☐ EXPANDABLE
☐ MULTIPUL DOCUMENT TRACKING SHEET ☐ NEW NOI ☐ AMENDMENT
☐ OTHER _____

Description

Record Number

☐ NOI ☒ Incoming ☒ Outgoing ☒ Internal ☐ Superceded

File Closure

☐ NOI ☐ Incoming ☐ Outgoing ☐ Internal ☐ Superceded

☐ NOI ☐ Incoming ☐ Outgoing ☐ Internal ☐ Superceded

☐ NOI ☐ Incoming ☐ Outgoing ☐ Internal ☐ Superceded

☐ TEXT/ 8 1/2 X 11 MAP PAGES ☐ 11 X 17 MAPS ☐ LARGE MAP

COMMENTS: _____

CC: _____



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

August 11, 2010

David Penney
Earth's Partners
2400 East 30 South
P. O. Box 1671
Beaver, Utah 84713-1186

Subject: Concurrence with Release of Reclamation Surety, Earth's Partners, Munchkin 1-2-3 Mine, S/001/0066, Beaver County, Utah

Dear Mr. Penney:

The Utah Division of Oil, Gas and Mining concurs with the findings of the Bureau of Land Management that the reclamation surety for the referenced mine site can be fully released. The BLM holds a letter of credit in the amount of \$2700.00. The Division inspected the site on July 22, 2008, and found that there had been no recent activity. All disturbance has been from a previous operation that was not permitted.

The Notice of Intention to Commence Small Mining Operations, S/001/0066, will now be closed and the file retired. You are hereby released by the Division from further reclamation responsibilities at this site. If you wish to conduct any future mining or exploration related activity in this area, you will need to submit a new notice to the Division and other appropriate agency(ies), and provide reclamation surety prior to creating any disturbance.

If you have any questions or concerns regarding this action, please contact me at (801) 538-5261 or Tom Munson at (801) 538-5321.

Sincerely,

Paul Baker
Minerals Program Manager

PBB:pb

cc: ed_ginouves@blm.gov
Opie_Abeyta@blm.gov

P:\GROUPS\MINERALS\WP\M001-Beaver\S0010066-Munchkin\final\concur-08112010.doc



From: Paul Baker
To: Berry, Penny
CC: Munson, Tom
Date: 8/11/2010 8:32 AM
Subject: Release Letter for Munchkin

Could you please finalize this letter? Thank you.

O:\M001-Beaver\S0010066-Munchkin\draft\concur-08112010.doc

Paul Baker
Minerals Program Manager
Utah Division of Oil, Gas and Mining
801-538-5261
Fax 801-359-3940



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

S/001/0066

October 14, 2008

Certified Return Receipt Requested
7005 2570 0000 4801 7147

David Penny
Earth's Partner's
2400 East 30 So
PO Box 1671
Beaver, Utah 84713-1186

Subject: Division Directive, Earth's Partners, Munchkin 1-2-3, S/001/0066, Beaver County, Utah

Dear Mr. Penney:

There are deficiencies in your Notice of Intent and the reclamation surety for the above referenced mine that need to be rectified. Your original NOI was accepted in 2004 for up to 2 acres of disturbance. A reclamation surety of \$2,700 was provided to the BLM in 2005. This surety has not been adjusted since then to account for increased area of disturbance or increased reclamation costs (inflation) and does not name the Division as a co-beneficiary.

Within 30 days of receipt of this letter, you are hereby directed to:

- Amend your NOI by providing a map and narrative which describe the current disturbance (and acreage) and where you intend to operate for the next 1-5 years.
- Revise your reclamation surety by increasing the amount to an appropriate level (\$6,300 for up to one acre and an addition \$3,900 for each additional acre).
- Have the Division named as a co-beneficiary with the BLM.

Note, if you continue with a cash bond posted with the BLM, their rules may not allow the Division to be named as co-beneficiary. To resolve this, you will need to have the BLM submit a letter to the Division which states that the BLM will not release all or part of the reclamation surety without the Division's written consent. If you wish to change the form of surety to a letter of credit, certificate of deposit, or a surety bond, please contact Penny Berry at (801) 538-5291 or email bondcoordinator@utah.gov to obtain the appropriate form.



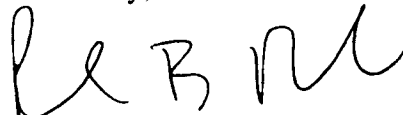
Page 2 of 2
David Penney
Earth's Partners, LLC
S/001/0066
October 13, 2008

- As part of updating the reclamation surety, you will also be required to sign a reclamation contract. Please contact Penny Berry to obtain this document.

Failure to provide the amended NOI and update the reclamation surety as directed may result in enforcement action being taken by the Division which may include withdrawal of your permit and an order to commence reclamation of the site immediately.

If you have questions or concerns regarding this letter, please contact me at (801) 538-5261 or Tom Munson at 801-538-5321. Thank you for your help in completing this very important regulatory requirement.

Sincerely,

A handwritten signature in black ink, appearing to read 'P B M', is written over the typed name.

Paul B. Baker
Minerals Program Manager

PBB:tm:vs

cc: ep7@xmission.com
ed_ginouves@blm.gov
Penny Berry, DOGM

P:\GROUPS\MINES\MINERALS\WP\M001-Beaver\S0010066-Munchkin\final\DRCT-10072008.doc

ROUTING AND TRANSMITTAL SLIP

Date

TO: (Name, office symbol, room number, building, Agency/Post)

Initials

Date

1.

2.

UDOGM (w/encl.)
1594 W. North Temple, Suite 1210
Salt Lake City, UT 84114

3.

4.

5.

Action	File	Note and Return
Approval	For Clearance	Per Conversation
As Requested	For Correction	Prepare Reply
Circulate	For Your Information	See Me
Comment	Investigate	Signature
Coordination	Justify	

REMARKS

3/001/066

RECEIVED

FEB 02 2006

DIV. OF OIL, GAS & MINING

DO NOT use this form as a RECORD of approvals, concurrences, disposals, clearances, and similar actions.

FROM: (Name, org. symbol, Agency/Post)

Room No.—Bldg.

Phone No.

5041-102

☆ U.S.G.P.O. 1992 312-070/60010

OPTIONAL FORM 41 (Rev. 7-76)
Prescribed by GSA
FPMR (41 CFR) 101-11.206



United States Department of the Interior

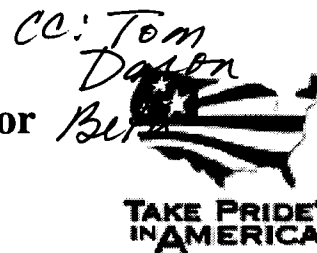
BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, UT 84145-0155

<http://www.blm.gov>



IN REPLY REFER TO:

3809

(UT-9234-OA)

UTU-81473

January 30, 2006

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

DECISION

Obligor/Operator:	:	Notice Serial No.:	UTU-81473
Earth's Partners LLC	:		
2400 E. 30 S.	:	Bond Amount:	\$2,700.00
P. O. Box 1671	:		
Beaver, UT 84713	:	LOC Number:	34107573
	:		
Financial Institution:	:	Date Issued:	December 27, 2005
Utah Independent Bank	:		
195 N. Main	:		
Beaver, UT 84713	:		

Personal Bond Secured by Letter of Credit Accepted

On January 5, 2006, this office received a letter of credit (LOC) in the amount of \$2,700 and on January 27, 2006, we received a Surface Management Personal Bond form for coverage of all operations conducted by or behalf of the obligor on 3809 notice UTU-81473. The bond and LOC have been examined and found acceptable; therefore, the documents are accepted effective January 27, 2006.

The pledge for the bond is a LOC written by the financial institution named above. The document will be retained by the BLM until all terms and conditions of the operations have been fulfilled or until a satisfactory replacement bond has been accepted. The LOC will be returned to the financial institution when this office determines that the bond is not longer required.

The LOC will continue indefinitely in the absence of notice from the financial institution of its determination not to renew the letter. Such a notice must be received in this office at least 90 days prior to the original expiration date of December 27, 2006, or the automatic extension dates falling on the same day in subsequent years. A copy of such notice also should be provided to

the obligor, who would then be responsible for providing a replacement security to the BLM. Unless the obligor provides a satisfactory replacement bond at least 30 days prior to the then fixed expiration date, BLM will demand that the financial institution pay the full amount of the credit to ensure continuing bond coverage of the obligor. Any such funds thus obtained will be retained as long as none are required to correct defaults, until the bond is no longer required or until replacement bond coverage is accepted by the BLM.

If you have any questions, please call Opie Abeyta at (801) 539-4123.

JAMES F. KOHLER

James F. Kohler
Chief, Branch of Solid Minerals

cc: Ed Ginouves, CCFO (UT-040)
UDOGM (w/encl.)
1594 W. North Temple, Suite 1210
Salt Lake City, UT 84114

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SURFACE MANAGEMENT PERSONAL BOND

Act of May 10, 1872, as amended (30 U.S.C. 22-54)
Act of December 29, 1916, as amended (39 Stat. 862)
Act of October 21, 1976, as amended (43 U.S.C. 1732-35, 1782)
Act of September 13, 1982 (31 U.S.C. 9301 et seq.)
Act of September 27, 1988 (102 Stat. 1776)
Act of April 16, 1993 (43 U.S.C. 299)

FORM APPROVED
OMB NO. 1004-0194
Expires: January 31, 2007

Individual UTU-81473 ; or Statewide _____ ; or Nationwide _____
(Enter BLM Serial No.) (Enter Name of State, if applicable) ("Yes," if applicable)

KNOW ALL MEN BY THESE PRESENTS, THAT Earth's Partners LLC
of 2400 East 30 South P.O. Box 1671 Beaver, UT 84713
(name)
and Utah Department of Natural Resources-DOGM
(address)
as principal; is held firmly bound unto the United States of America in the sum of _____

Two thousand and seven hundred dollar⁰⁰/100 U. S. dollars (\$2,700.⁰⁰ (LOC)).
lawful money of the United States, which may be increased or decreased by a rider hereto executed in the same manner as this bond.

The principal, pursuant to the authority conferred by Section 1 of the Act of September 13, 1982 (31 U.S.C. 9303), does hereby constitute and appoint the Secretary of the Interior to act as his attorney-in-fact for the purpose of negotiating the cash, letters of credit, savings accounts, certificates of deposit, or securities. The interest accruing on the United States securities, cash, or other instruments given above, in the absence of any default in the performance of any of the conditions, or stipulations set forth in this bond, the plan of operations/notice, must be paid to the principal. The principal hereby, for any heirs, executors, administrators, successors, and assignees, jointly and severally, ratifies and confirms whatever the Secretary will do by virtue of these presents.

The Secretary will transfer this deposit for the faithful performance of any and all of the conditions and stipulations as set forth in this bond, the plan of operations/notice cited above, and the regulations at 43 CFR 3802 and 43 CFR 3809. In the case of any default in the performance of the conditions and stipulations of such undertaking, it is agreed that the Secretary will have full power to assign, appropriate, apply, or transfer the deposit, or any portion thereof, to the satisfaction of any damages, reclamation, assessments, penalties, or deficiencies arising by reason of such default.

BOND CONDITIONS

1. WHEREAS, the principal has an interest in a mining claim(s), mill site(s), or tunnel site(s) and/or responsibility for operations and/or reclamation on the mining claim(s), mill site(s), tunnel site(s) or public lands under the Acts cited in this bond; and
2. WHEREAS, the principal has filed an acceptable notice with the United States Department of the Interior, Bureau of Land Management (BLM) and/or received approval from the BLM of the plan of operations cited above and said plan of operations/notice contains certain stipulations and conditions; and
3. WHEREAS, the principal hereby waives any right to notice of, and agrees that this bond will remain in full force and effect notwithstanding:
 - a. Any transfer(s) in whole or in part, of any or all of the land covered by the plan of operations/notice further agrees to remain bound under this bond as to the interests in the plan of operations/notice retained by the principal; and
 - b. Any modification of the plan of operations/notice or obligations thereunder; and
4. WHEREAS, the principal hereby agrees that notwithstanding the cancellation or relinquishment of any mining claim(s), mill site(s), or tunnel site(s) covered by this plan of operations/notice, whether by operation of law or otherwise, the bond will remain in full force and effect as to the terms and conditions of the plan of operations/notice, and obligations covered by this bond; and
5. WHEREAS, the principal agrees that in the event of any default under the plan of operations/notice and/or reclamation plan the bond may be forfeited and, the United States, through the BLM, may commence and prosecute any claim, suit, or other proceeding against the principal without the necessity of joining the owner(s) of the mining claim(s), mill site(s), or tunnel site(s) covered by the plan of operations/notice; and
6. WHEREAS, if the principal fails to comply with the provisions of 43 CFR 3802 and 43 CFR 3809, the principal will also be subject to the applicable provisions and penalties of Sections 303 and 305 of the Federal Land Policy and Management Act of 1976, as amended (43 U.S.C. 1733 and 1735). This provision will not be construed to prevent the exercise by the United States of any other legal and equitable remedy, including waiver of the default; and

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212 make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 2)



PO Box 1030
195 N. Main
Beaver, UT 84713
Phone (435) 438-2433
Fax (435) 438-5885

34 107573

Irrevocable Letter of Credit
Date issued: December 27, 2005

Beneficiary: Bureau of Land Management & Utah Department of Natural Resources
Division 06 oil, gas and mining

Ladies and Gentlemen:

On behalf of Earth's Partners LLC, Dave Penney and Heather Anne Scholz as Guarantors, of PO Box 1671, Beaver, Utah, as obligor, we Utah Independent Bank of PO Box 1030, Beaver Utah 84713, hereby establish as Irrevocable Letter of Credit in favor of the U.S. Department of Interior, Bureau of Land Management (BLM) and Utah Department of Natural Resources, Division 06, Oil, Gas and Mining, and agree to pay upon demand by them, up to an aggregate amount of U.S. \$2,700.00 upon receipt of your draft at sight on us and your written notification signed by a purported authorized officer of BLM to the effect the obligor has been determined to be in default and the amount drawn represents the reasonable amount, as determined by BLM, of such default.

This Letter of Credit is available with Utah Independent Bank at PO Box 1030, Beaver Utah 84713 by sight payment. Partial drawings are permitted.

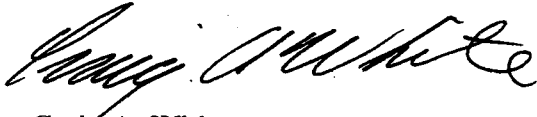
This Letter of Credit is effective 12-27-05 and will expire at our office on 12-27-06, and shall thereafter be automatically renewed for a one year period upon such date and upon each anniversary of such date, unless at least ninety (90) days prior to the then current expiration date we notify you at the above address by certified mail, return receipt requested, that we elect not to renew this letter of credit for such additional period.

Upon receipt by the BLM of such a notice from us not to renew this letter, BLM may draw on us at sight for up to the amount of Letter of Credit, prior to the expiration thereof, provided that such a draft is accompanied by a statement signed by a purported authorized officer of the BLM that no satisfactory replacement bond has been provided by the obligor prior to 30 days before this Letter of Credit expires, pursuant to 43 CFR 3809.

It shall not be required for the BLM in order to draw on this Letter of Credit to furnish the original Letter; however it is understood, as a condition of any payment thereunder, that the face amount of the Letter shall automatically be reduced by any payment made by the bank and that the BLM will promptly surrender the original Letter of Credit when and if the bank shall tender to the BLM the full amount of funds represented by this Letter; such surrender to occur as soon as reasonably practical after full payment is made. The original Letter of Credit shall also be surrendered promptly following its expiration.

We promise that the amount of credit herein established will not be reduced for any reason during the effectiveness of this Letter of Credit without the prior written approval of the BLM. We are informed that this Letter of Credit is issued per the requirements of 43 CFR Subpart 3809 for Plan of Operations.

Sincerely,

A handwritten signature in black ink, appearing to read "Craig A. White", written in a cursive style.

Craig A. White
President



State Online Services

Agency List

Business.utah.gov

Search Ut

Utah Department of
Commerce

Business Name Availability

Help

More Information

You can also: [Check other available names](#)

Business Information

Name of Entity: EARTH'S PARTNERS LLC
Entity Type: Limited Liability Company
Entity Number: 5304713-0160
Registration Date: 07/21/2003
State of Origin:

Address

2400 E 30 S
Beaver, UT 84713

Status

Status: Active
Status Description: Good Standing
This Status Date: 07/21/2003
Last Renewed: 05/31/2005
License Type: LLC - Domestic
Delinquent Date: 07/21/2006

Registered Agent

Registered Agent: S HEATHER ANNE SCHOLZ
Address Line 1: 2400 E 30 S
Address Line 2: PO BOX 1671 * new POB
City: Beaver
State: UT
Zip Code: 84713

Additional Information

NAICS Title:
Stock Class 1 Amount:
Stock Class 1 Type:
Stock Class 2 Amount:
Stock Class 3 Amount:
Stock Class 4 Amount:
Stock Class 5 Amount:
Stock Class 5 Type:
Stock Class 6 Amount:
Stock Class 6 Type:

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